CASE 1135: Texas Company application for dual completion of A. H. Blinebry Well #3, Blinebry Oil Pool & Tubb Gas Pool.

Coase <math>Mo. 1135 Replication, Transcript, Smill Exhibits, Etc.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MENICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE NO. 1135 Order No. R-898

APPLICATION OF THE TEXAS COMPANY FOR AN ORDER GRANTING PERMISSION TO DUALLY COMPLETE ITS A. H. BLINEBRY (NCT-1) WELL NO. 3, IN THE BLINEBRY OIL POOL AND THE TUBE GAS POOL, SAID WELL BEING LOCATED IN THE SE/4 NW/4 OF SECTION 29, TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a.m. on August 22, 1956, at Hobbs, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission's Statewide Rules and Regulations.

NOW, on this 15² day of October, 1956, the Oil Conservation Commission of New Mexico, a quorum being present, having considered the application, the evidence presented and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, The Texas Company, seeks an order granting permission to dually complete its A. H. Blinebry (NCT-1) Well No. 3 in the Blinebry Oil Pool and the Tubb Gas Fool, said well being located 1980 feet from the North line and 1980 feet from the West line of Section 29, Township 22 South, Eange 38 East, NMPM, Lea County, New Mexico.

(3) That the aforesaid A. H. Blinebry (NCT-1) Well No. 3, was completed February 8, 1946 in the Drinkard Pool and is presently producing approximately 2 barrels a day.

(4) That applicant proposes to recomplete said well at an approximate depth of 6300 feet by plugging back from the original total depth of 6995 feet. Applicant further proposes to perforate the Blinebry Oil Pool from 3,655 feet to 5,695 feet and -2-Case No. 1135 Order No. R-898

the Tubb Gas Pool between 6152 feet and 6150 feet, producing the two zones through parallel tubing strings.

(5) That the mechanics of the proposed dual completion as outlined in the application are feasible and in good practice.

IT IS THEREFORE ORDERED:

That the applicant, The Texas Company, be and the same is hereby authorized to dually complete and produce its A. H. Blinebry (NCT-1) Well No. 3 located 1980 feet from the North line and 1980 feet from the West line of Section 29, Township 22 South, Range 38 East, NMPK, Lea County, New Mexico, in such a manner that gas from the Tubb Gas Pool and oil from the Blinebry Oil Pool may be produced through parallel tubing strings and by the installation of a suitable packer and with the installation of adequate surface equipment to maintain complete Separation of the two zones of production.

PROVIDED HOWEVER. That upon the actual dual completion of said subject well, applicant shall submit to the appropriate District Office of the Commission, copies of Oil Conservation Commission Form C-104, Form C-110 and Form C-122, outlining the information required on these forms by existing Rules and Regulations.

PROVIDED HOWEVER. That subject well shall be completed and thereafter produced in such a manner that thereafth is no commingling within the well bore either within or consume the casing of gas, oil and gas, or oil produced from the separate strata, and

PROVIDED FURTHER, That said subject well for dual completion and production shall be equipped in such a way that reservoir pressures may be determined separately for each of the two specified strata and further be equipped with all necessary connections required to permit the recording meters to be installed and used at any time as may be required by the Commission or its representatives in order that natural gas, or oil and gas from each separate stratum may be accurately measured and the gas-oil ratio thereof determined, and

PROVIDED FURTHER, That the operator-applicant shall make any and all tests, including segregation tests and packer leakage tests upon completion and annually thereafter during the annual GOR survey for the Blinebry Cil Pool and upon completion of remedial work or whenever the packer is disturbed, but not excluding other tests and/or determinations at any convenient time and in such manner as deemed necessary by the Commission; the original and all subsequent tests shall be witnessed by representatives of offset operators if any there be at their election, and the results of each properly attested to by the applicant herein, and all witnesses, and shall be filed with the -3-Order No. R-898 Case No. 1135

Commission within 15 days after the completion of such tests, and further that applicant shall file with the Commission in duplicate a packer-setting affidavit, which affidavit shall be due within 15 days of the dual completion or whenever the packer is disturbed.

PROVIDED FURTHER, That upon the actual dual completion of such subject well, applicant shall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to complete and produce the seal between the strata and a special report of production gas-oil ratio and reservoir pressure determination of each producing zone or stratum immediately following completion.

IT IS FURTHER ORDERED: That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights. Upon failure of applicant to comply with any requirement of this order after proper notice and hearing, the Commission may terminate the authority hereby granted and require applicant or its successors and assigns to limit its activities to regular single-zone production in the interests of conservation.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

John F. SIMMS, Chairman

WALKER. Member



ir/

A. I. PORTER, Jr., Member & Secretary

Exange THE TEXAS COMPANY HALL GETTER COD TEXACO PETROLEUM PRODUCTS P. O. BOX 1720 FORT WORTH 1, TEXAS 1131 - July 27, 1956 APPLICATION TO DUALLY COMPLETE The Texas Company's A. H. Blinebry (NCT-1) Well No. 3, Blinebry Oil Pool and Tubb Gas Pool, Lee County, New Mexico New Mexico Oil Conservation Commission Santa Fe, New Mexico

Gentlemen:

By this letter of application The Texas Company wishes to state the following:

- (a) That The Texas Company's A. H. Blinebry (NCT-1) Well No. 3, located in the SE/4 NW/4 of Section 29, T-22-S, R 24-E, is to be completed at an approximate total depth of 6300' by plugging back from an original total depth of 6995'. The ched Exhibit "A" shows the location of the s ext well on the A. H. Blinebry (NCT-1) Lease when the location of all offset wells. The attached Exhibit "B" shows diagrammatically a sketch of the proposed dual completion.
- (b) That the subject well has 7-inch casing set at 6893' and cemented with 500 sacks of dement which extends behind pipe to approximately 5000'. The well is to be an oil-gas dual, having open the interval 6152-6190' from the Tubb formation in the Tubb Gas Pool, and the interval 5665-5695' from the Blinebry formation in the Blinebry Oil Pool.
- (c) That the applicant proposes to dually complete the well in the following manner:
 - 1. Set a production retainer packer at 6100' between the Blinebry and Tubb formations to separate the two pay zones.
 - 2. Using parallel tubing strings, one of which will extend through the production retainer packer, produce the Tabb Gas Pool gas through the long tubing string and the Blinebry Oll Pool oil through the short tubing string.

- (1) That the granting of this application for permission to produce the well as a dual completion with oil from the Blinebry Oil Pool and gas from the Tubb Gas Pool is in the interest of conservation and the protection of correlative rights.
- (e) That the applicant will comply with all rules and regulations of the New Mexico Oil Conservation Commission to maintain separation of production from the two pay zones.
- (f) That the manner and method of the proposed dual completion is mechanically feasible and practical.
- (g) By copy of this letter of application, all offset operators are notified by registered mail of the proposed dual completion.

Therefore, The Texas Company respectfully requests that the New Mexico Oil Conservation Commission set for hearing this application to dually complete the subject well as proposed.

Yours very truly,

Hartade

H. N. Wade Petroleum Engineer

HNW-MFT

cc-Gulf Oil Corp. Western Oil Fields, Inc.

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BLAGEARATIC SELICH CHEMING DEAL COMPLETION INSTALLATION

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OIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE. NEW MEXICO

d.

October 16, 1956

Mr. H. N. Wade The Texas Company P. O. Box 1720 Fort Worth 1, Texas

Dear Sir:

We enclose a copy of Order R-898 issued October 15, 1956, by the Oil Conservation Commission in Case 1135, which was heard on August 22, 1956.

Very truly yours,

A. L. Porter, Jr. Secretary-Director

jh encl.

BEFORE THE Gil Conservation Commission SANTA FE. NEW MEXICO IN THE MATTER OF: CASE NO. 1135 TRANSCRIPT OF PROCEEDINGS August 22, 1956 DEARNLEY-MEIER AND ASSOCIATES COURT REPORTERS 605 SIMMS BUILDING TELEPHONE 3-6691 ALBUQUERQUE, NEW MEXICO

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION HOBBS, NEW MEXICO August 22, 1956 IN THE MATTER OF: CASE NO. 1135: Application of The Texas Company for permission to dually complete its A. H. Blinebry (NCT-1) Well No. 3 in the Blinebry Oil Pool and the Tubb Gas Pool, Lea County, New Mexico, in exception to Rule 112-A (a) of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the abovestyled cause, seeks an order permitting the dual completion of its A. H. Blinebry (NCT-1) Well No. 3 located in the SE/4 NW/4 of Section 29, Township 22 South, Range 37 East, Lea County, New Mexico. Applicant proposes to produce oil on top from the Blinebry Oil Pool and gas on the bottom from the Tubb Gas Pool by means of parallel strings of tubing. BEFORE : Daniel S. Nutter, Examiner. TRANSCRIFT $\underline{O} \underline{F}$ PROCEEDINGS MR. NUTTER: The next case will be Case No. 1135. MR. GURLEY: Application of The Texas Company for permission to dually complete its A. H. Blinebry (NCT-1) Well No. 3 in the Blinebry Oil Pool and the Tubb Gas Pool, Lea County, New Mexico, in exception to Rule 112-A (a) of the New Mexico Oil Conservation Commission Rules and Regulations. (Witness is sworn.) <u>WADE</u> <u>H.</u> <u>W.</u> called as a witness on behalf of the applicant, having been first DEARNLEY-MEIER AND ASSOCIATES STENOTYPE REPORTERS TELEPHONE 3-6651

duly sworn on oath, testified as follows:

MR. NUTTER: Before we get started, I want to make a notation that the docket indicates the location of the well to be the SE/4 of the NW/4 of Section 29, Township 22 South, Range 37 East. That correctly should read Range 38 East, I believe.

MR. WADE: That is right. This is an application of the Texas Company for an order approving the dual completion in the Blinebry Oil Pool, Tubb Gas Fool in compliance with Rule 112-A of the New Mexico Oil Conservation Commission State-wide Rules and Regulations. My name is H. W. Wade. I would like to hand you our Exhibit 1. Our Exhibit 1 is a plat of the area showing our Blinebry (NCT-1), Blinebry No. 3, located 1,980 from the north and west lines of Section 29, Township 22 South, Range 38 East. This well was completed February 8, 1946, at a total depth of 6,995 feet, tested for 99 barrels of oil and 3 barrels of water in six hours; a flowing potential test of a Drinkerd pay. Seven inch casing was set at 6,893 and cemented with 500 sacks. We have calculated the top of the cement is above 5,000 feet. The Drinkard zone, from which this well is presently producing produces approximately two barrels per day which we feel is bordering on the economic limits for the zone. Poor results have been obtained in remedial operation to stimulate the Drinkard zone in this area and we feel that we could not pick up the production any by remedial work. It is planned to use bridging plugs in confining the Drinkard's pay, therefore, that zone will not be contaminated during any -- in ong manner during the plug back operations prior to the proposed dual completion. It is

> DEARNLEY-MEER AND ASSOCIATES STENOTYPE REPORTERS ALBUQUERQUE, NEW MEXICO TELEPHONE 3-6691

planned to open the Tubb gas zone through perforations from 6,152 to 6,190 feet. The Blinebry oil zone is to be perforated 5,055 to 5,695 feet. Oil production is expected from the Blinebry zone since the top of this zone is approximately 15 feet low to our recently completed Blinebry Well No. 7, which is located in Section 19, Township 22 South, Range 38 East, which is producing oil from the Blinebry, and it is 50 feet low from the Gulf-Vivian No. 4 on SE/4 NE/4 Section 30, Township 22, Range 38, which is producing gas, from the Blinebry. It is expected that the Tubb formation will produce gas with some distillate. Since the intervals to be opened for production will be in the Blinebry and Tubb formations they fall within the vertical delineation of the Tubb oil and gas pool respectively. I hand you what is our Exhibit 2. The Applicant's Exhibit 2 is a diagrammatic sketch of the proposed dual completion for well No. 3. I believe that the sketch itself is explanatory; however, it will be noted that the two zones will be separated by production packers to be set at 6,100 feet and that two strings of tubing will be utilized to produce the two zones and two inch strings will be set through the packer to produce the Tubb formations and a two inch Hydrill tubing string will be set or swung above the packer from which the Blinebry oil production will be produced. We believe that the proposed dual of the Blinebry No. 3 is mechanically and geologically feasible and will prevent co-mingling from the fluids of the Tubb zone. The granting of this application to dually complete these two separate sources of supply is recognized in the rules and regulations for these two fields and will be in the

> DEARNLEY-MEIER AND ASSOCIATES STENOTIFE PEPORTERS ALBUQUERQUE. NEW MEXICO TELEPHONE 5-6691

interest of conservation and will promote correlative rights and we therefore suggest that the Commission enter an order allowing us dual completion as proposed. That is all.

MR. NUTTER: Any questions of the witness? Mr. Wade, I believe you stated that your No. 3 well is 50 feet low with respect to the Gulf-Vivian No. 4, is that correct?

A Yes, sir, that is approximately correct.

Q What is the position of the well with reference to the Higgins Well? Let's see, it is, I guess, the Gulf-Higgins Lease B and T No. 1 which is in the NW of the SW/4 of that section.

A Yes, sir, it is approximately 20 feet high to the Blinebry zone in that well, as I remember. I believe that well is producing cil.

Q It is an oil well?

A Yes, sir, from the Blinebry.

Q Now, on your Exhibit No. 2, your upper zone you say topped at 5,550 and the bottom at 5,733. What are those figures referring to? Are those the tops of the oil zone or what?

A No, that would be the top of our -- that would be the top of the Blinebry zone as interpreted by our geological department and it is not necessarily beneath pay. That would be available for opening there.

Q Where are your present perforations in the well?

A In where?

Q Where are your present perforations?

A In the Drinkard. The Drinkard is presently producing from 6,893 -- no, it is 6,995.

> DEARNLEY-MEIER AND ASSOCIATES STENOTYPE REPORTERS ALBUQUERQUE, NEW MEXICO TELEPHONE 3-6691

Q And is that productive at all?

A Yes, it is producing approximately two barrels per day. MR. NUTTER: Any questions of the witness, if not, the witness may be excused. Do you wish to offer these? ó

A Yes, I would like to offer these.

MR. NUTTER: Without objection, the Texas Company Exhibits No. 1 and 2 will be received in evidence. Any further statements in this case by anyone? If not we will take the case under advisement and the hearing is adjourned.

> DEARNLEY-MEIER AND ASSOCIATES STENOTYPE REPORTERS ALBUQUERQUE, NEW MEXICO TELEPHONE 3-6691

REPORTER'S CERTIFICATE

I, LOUIS R. GUEVARA, do hereby certify that the foregoing and attached Transcript of Proceedings, pages numbered 2 through 6, were reported by me in Stenograph at the time and place aforesaid; that the same was reduced to typewritten transcript by me and contains a true and correct record of said proceedings to the best of my knowledge, skill and ability.

DATED this 31st day of August, 1956, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Reporter

DEARNLEY-MEIER AND ASSOCIATES STENOTYPE REPORTERS ALBUQUERQUE, NEW MEXICO TELEPHONE 3-6691

No. 29-56

DOCKET: EXAMINER HEARING AUGUST 22, 1956

<u>New Mexico Oil Conservation Commission 10:00 a.m., Hobbs, New Mexico</u> <u>Oil Conservation Commission Office, 1000 W. Broadway, Hobbs, New Mexico</u>

The following cases will be heard before Daniel S. Nutter, Examiner:

CASE 1132;

Application of Stanley L. Jones for an unorthodox location and the assignment of an allowable for the Jones and Watkins Platt Well No. 1 in the Dayton Pool, Eddy County, New Mexico, in exception to Rule 104 (c) of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order granting an unorthodox location for the Jones and Watkins Platt Well No. 1 at a point 75 feet from the South line and 125 feet from the West line of Section 26, Township 18 South, Range 26 East, Eddy County, New Mexico, and further that said well be assigned an oil allowable. Said well was initially drilled prior to the promulgation of spacing and well location rules in the area and was later recompleted in the Dayton Pool.

CASE 1133:

Application of Ohio Oil Company for an order granting an unorthodox location and the assignment of a normal unit allowable for its proposed well in the Dean-Devonian Pool, Lea County, New Mexico, in exception to Paragraphs 3, 5 and 6 of the Special Rules and Regulations for the Dean-Devonian Pool as set forth in Order R-707. Applicant, in the above-styled cause, seeks an order authorizing an unorthodox location for its proposed well at a point 1650 feet from the North line and 330 feet from the East line of Section 34, Township 15 South, Range 36 East, Lea County, New Mexico. Applicant further seeks authorization of full allowable for said well notwithstanding its unorthodox location.

CASE 1134:

CASE 1135:

Application of Neville G. Penrose, Inc. for permission to dually complete its Hinton No. 10 Well in the Blinebry Oil Pool and the Tubb Gas Pool, Lea County, New Mexico, in exception to Rule 112-A (a) of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order permitting the dual completion of its Hinton No. 10 Well located in the NW/4 NW/4 of Section 13, Township 22 South, Range 37 East, Lea County, New Mexico. Applicant proposes to produce oil on top from the Blinebry Oil Pool, through the casing-tubing annulus and gas on the bottom from the Tubb Gas Pool through the tubing.

Application of The Texas Company for permission to dually complete its A. H. Blinebry (NCT-1) Well No. 3 in the Blinebry Oil Pool and the Tubb Gas Pool, Lea County, New Mexico, in exception to Rule 112-A (a) of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order permitting the dual completion of its A. H. Blinebry (NCT-1) Well No. 3 located in the SE/4 NW/4 of Section 29, Township 22 South, Range 37 East, Lea County, New Mexico. Applicant proposes to produce oil on top from the Blinebry Oil Pool and gas on the bottom from the Tubb Gas Pool by means of parallel strings of tubing.

CASE 1136:

Application of Amerada Petroleum Corporation for permission to dually complete its Cagle "C" No. 1 Well as a gas-gas dual in the Jalmat Gas Pool and the Langlie-Mattix Pool, Lea County, New Mexico, in compliance with Rule 112-A (a) of the New Mexico Oil Conservation Commission Rules -2-Docket 29-56

> and Regulations. Applicant, in the above-styled cause, seeks an order authorizing a gas-gas dual completion for its Cagle "C" No. 1 Well located 990 feet from the North and West lines of Section 3, Tewnship 26 South, Range 37 East, Lea County, New Mexico; said well is to have gas producition from the Yates and Upper Seven Rivers formations of the Jalmat Gas Pool and gas production from the Lower Seven Rivers formation of the Langlie-Mattix Pool. A small portion of the uppermost perforations in the lower gas pay falls within the vertical limits, of the Jalmat Gas Pool as well as the Langlie-Mattix Pool.

CASE 1137:

Application of Humble Oil and Refining Company for permission to convert its State "A" Well No. 2 into a salt water disposal well in the San Andres formation of the Hobbs Pool in accordance with New Mexico Oil Conservation Commission Statewide Rule 701. Applicant, in the abovestyled cause, seeks an order granting permission to convert its previously abandoned State "A" Well No. 2 into a salt water disposal well; said well is located 330 feet from the South and East lines of Section 25, Township 18 South, Range 37 East, Lea County, New Mexico-Applicant proposes to inject salt water below the oil-water contact of the San Andres formation in the Hobbs Pool.



ON CONSENTATION MEMORY SANTA FE. NEW MEMOR CASE CASE .



DIAGRAMMATIC SKETCH CHOWING DEAL COMPANYION INSTALLATION